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JUDICIARY BUDGET PROCESS

In recent weeks, several publications that target the legal community have contained articles detailing the potential impact of state budget cuts on California's judiciary. There appears to be a growing uneasiness among judges, court administrators and those who make frequent use of court facilities and services. Even the bestcase scenario is a bleak one.

Similar scenarios could be played out throughout the budget-building process, since a \$26 to \$35 billion state budget deficit necessitates contemplation of unprecedented reductions and the concomitant elimination of certain personnel, programs and services.

This specter of widespread chaos in the state's various service delivery systems apparently has struck a chord with members of the State Assembly and, as a result, its members have decided to address this year's budget in a novel but laudable manner. Specifically, each Assembly Budget Subcommittee will hold joint hearings with its appropriate Assembly policy committees prior to actual budget hearings.

For example, in the case of the judiciary's budget, the Assembly Judiciary Committee will hold a joint hearing with the Assembly Budget Subcommittee on State Administration to take testimony and discuss the short and long-term policy implications associated with proposed cuts to various sectors of the judiciary: Supreme Court, Courts of Appeals, trial courts, and the Judicial Council.

The joint committee hearing is scheduled for Thursday, March 13. No vote will be taken in the joint committee hearing; that task will remain the responsibility of the budget subcommittee. The plan calls for the Subcommittee on State Administration to then hold a separate hearing one to three weeks later.

BUDGET MESS: IT'S NOT GETTING ANY BETTER!

According to State Controller <u>Steve Westly</u>, in June, California will have to borrow between \$4 billion and \$11 billion to keep state government operating as the Legislature tries to close a budget deficit of \$21 billion to \$35 billion -

depending upon which deficit estimate you want to accept. Taxpayers will pay tens of millions of dollars in interest on the new loan and on the \$12.5 billion loan taken out last year.

According to a Thursday (3/6/03) column in the Sacramento Bee, two second-term members of the Assembly, Joe Canciamilla (D-Contra Costa County) and Keith Richman (R-Los Angeles and Ventura County), maintain that the "Legislature is a dysfunctional mess driven by ideology and sloganeering, with most members barely aware that the state is drifting toward insolvency." Both members say, "Too many members of both parties are willing to delegate decision-making to a small group of lawmakers who monopolize information and prevent serious discussion of the issues at stake." As reported in last week's Sacramento Scene, Canciamilla and Richman started a nonpartisan group to try to resolve the budget mess.

LOCKYER CONTINUES 17200 CRACKDOWN

According to an article in today's Recorder legal newspaper, Attorney General <u>Bill Lockyer</u> is continuing his efforts against attorneys accused of abusing the state's unfair competition law, by filing a petition in Sacramento County Superior Court to compel Brian Kindsvater, a Sacramento-area solo practitioner, to comply with a Feb. 18 subpoena as part of Lockyer's statewide investigation.

Last week, Lockyer filed a civil lawsuit against the Trevor Law Group, which he had also subpoenaed, accusing the Beverly Hills firm of violations of the same unfair competition law, Business & Professions Code §17200 et seq. Lockyer's investigation is focused on a small group of attorneys -- including Trevor partners and Kindsvater - that he alleges use shell consumer groups to file lawsuits against small businesses that are tantamount to extortion.

The alleged abuses have resulted in eleven bills being introduced in the Legislature to revise, overhaul or eviscerate the Unfair Competition Law (see last week's <u>Sacramento Scene</u>, <u>Vol. 2</u>, #9).